



February 23, 2007

## SENATE BILL No. 269

DIGEST OF SB 269 (Updated February 21, 2007 4:24 pm - DI 87)

**Citations Affected:** IC 36-1.

**Synopsis:** Public work projects. Authorizes a political subdivision to perform a public work project by means of its own workforce, without awarding a contract, if the cost of the project is estimated to be less than \$200,000 and the project consists of the construction, reconstruction, repair, alteration, resurfacing, or maintenance of an alley, a road, a street, a highway, or a bridge. (Under current law, a project may be performed by a political subdivision's own workforce only if the cost of the project is less than \$100,000.)

**Effective:** July 1, 2007.

**Heinold**

January 11, 2007, read first time and referred to Committee on Local Government and Elections.

February 22, 2007, amended, reported favorably — Do Pass.

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SB 269—LS 7271/DI 73+



February 23, 2007

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

## SENATE BILL No. 269

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 36-1-12-3 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) The board may  
3 purchase or lease materials in the manner provided in IC 5-22 and  
4 perform any public work, by means of its own workforce, without  
5 awarding a contract whenever **either of the following applies:**

6 (1) The cost of that public work project is estimated to be less  
7 than one hundred thousand dollars (\$100,000).

8 (2) **The cost of that public work project is estimated to be less**  
9 **than two hundred thousand dollars (\$200,000), in the case of**  
10 **a public work project consisting of the construction,**  
11 **reconstruction, repair, alteration, resurfacing, or**  
12 **maintenance of an alley, a road, a street, a highway, or a**  
13 **bridge.**

14 Before a board may perform any work under this section by means of  
15 its own workforce, the political subdivision or agency must have a  
16 group of employees on its staff who are capable of performing the  
17 construction, maintenance, ~~and~~ repair, **or other activity** applicable to

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1 that work. For purposes of this subsection, the cost of a public work  
2 project includes the actual cost of materials, labor, equipment, rental,  
3 a reasonable rate for use of trucks and heavy equipment owned, and all  
4 other expenses incidental to the performance of the project.

5 (b) When the project involves the rental of equipment with an  
6 operator furnished by the owner, or the installation or application of  
7 materials by the supplier of the materials, the project is considered to  
8 be a public work project and subject to this chapter. However, an  
9 annual contract may be awarded for equipment rental and materials to  
10 be installed or applied during a calendar or fiscal year if the proposed  
11 project or projects are described in the bid specifications.

12 (c) A board of aviation commissioners or an airport authority board  
13 may purchase or lease materials in the manner provided in IC 5-22 and  
14 perform any public work by means of its own workforce and owned or  
15 leased equipment, in the construction, maintenance, and repair of any  
16 airport roadway, runway, taxiway, or aircraft parking apron whenever  
17 the cost of that public work project is estimated to be less than fifty  
18 thousand dollars (\$50,000).

19 (d) Municipal and county hospitals must comply with this chapter  
20 for all contracts for public work that are financed in whole or in part  
21 with cumulative building fund revenue, as provided in section 1(c) of  
22 this chapter. However, if the cost of the public work is estimated to be  
23 less than fifty thousand dollars (\$50,000), as reflected in the board  
24 minutes, the hospital board may have the public work done without  
25 receiving bids, by purchasing the materials and performing the work by  
26 means of its own workforce and owned or leased equipment.

27 (e) If a public works project involves a structure, an improvement,  
28 or a facility under the control of a department (as defined in  
29 IC 4-3-19-2(2)), the department may not artificially divide the project  
30 to bring any part of the project under this section.

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## COMMITTEE REPORT

Madam President: The Senate Committee on Local Government and Elections, to which was referred Senate Bill No. 269, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 9, delete "three" and insert "**two**".

Page 1, line 9, delete "\$300,000" and insert "**(\$200,000)**".

and when so amended that said bill do pass.

(Reference is to SB 269 as introduced.)

LAWSON C, Chairperson

Committee Vote: Yeas 9, Nays 0.

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